

**IN THE UNITED STATES DISTRICT COURT FOR  
THE WESTERN DISTRICT OF OKLAHOMA**

1. GAEDEKE HOLDINGS VII, LTD., a Texas  
limited liability company,

Plaintiff,

v.

1. J.D. CROW, an Individual; and  
2. MYRNA GAE CROW, an Individual,

Defendants.

Case No: CIV-21-406-R

**COMPLAINT**

Plaintiff, Gaedeke Holdings VII, Ltd. (“Plaintiff”), for its claims for relief against Defendants, J.D. Crow and Myrna Gae Crow (“Defendants”), hereby states and alleges as follows:

**PARTIES**

1. Plaintiff, Gaedeke Holdings VII, Ltd. is a Texas limited liability company with its principal place of business in Dallas, Texas, but it operates oil and gas wells in the State of Oklahoma.

2. Upon information and belief, Defendant, J.D. Crow, is an individual, and upon information and belief, resides in Minco, Oklahoma.

3. Upon information and belief, Defendant, Myrna Gae Crow, is an individual, and upon information and belief, resides in Minco, Oklahoma.

**JURISDICTION AND VENUE**

Plaintiff incorporates by reference the foregoing allegations above and, further, states and alleges as follows:

4. This Court has subject matter jurisdiction over this Complaint under 28 U.S.C. § 1332.

5. Venue is proper pursuant to 28 U.S.C. § 1391.

6. Exclusive of interest and costs, pursuant to the requirements under 28 U.S.C. § 1332, the amount in controversy in this action herein exceeds \$75,000.00.

**FACTS COMMON TO ALL COUNTS**

Plaintiff incorporates by reference the foregoing allegations above and, further, states and alleges as follows:

7. In June 2017, Plaintiff, by and through its contract landman, Gaedeke Oil & Gas, Inc., negotiated with and acquired from Defendants an oil and gas lease covering mineral interests located in and under the Lot 5 & Lot 6 & East 10 acres of W/2 NW/4 described in metes and bounds and South 40 acres of the West 70 acres of the W/2 NW/4 of Section 36-10N-8W (“Section 36”), Grady County, State of Oklahoma, and containing 109.71 acres, more or less.

The Oil and Gas Lease (the “Lease”) is tabulated below:

A) Lessors:	J.D. Crow and Myrna Gae Crow (h/w)
Lessee:	Gaedeke Holdings, VII, Ltd.
Dated:	June 5, 2017
Recorded:	July 12, 2017
Book & Page	Bk. 5250, Pages 155-156
Description:	Township 10 North, Range 8 West, Section 36: Lot 5 & Lot 6 & East 10.0000 acres of W/2 NW/4 described in metes and bounds & South 40.0000 acres of the West 70.0000 acres of the W/2 NW/4 containing 109.7100 acres, more or less in Grady County, State of Oklahoma
Warranty Provision:	Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor by payment any mortgages, taxes, or other liens on the above-described lands, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof.

8. The Lease contains a warranty of title provision.

9. The Lease purports to cover 21.8622 net acres of minerals, represented by Defendants to be owned by them, underlying the lands described in the Lease. On June 22, 2017, by and through its contract landman, Gaedeke Oil & Gas, Inc., Plaintiff paid Defendants \$4,000 per acre or \$87,448.80 bonus consideration for the Lease. *See* attached Ex. 1, Check.

**FIRST CLAIM FOR RELIEF**  
**BREACH OF WARRANTY OF TITLE**

Plaintiff incorporates by reference the foregoing allegations above and, further, states and alleges as follows:

10. In Section 36, of the total 21.8622 mineral acres purportedly covered by the Lease, Defendant owned only 10.21 net mineral acres underlying the lands described in the Lease, however, Defendants' mineral interest was subject to a prior lease, which prior lease remains in force and effect. Therefore, the Lease conveyed nothing whatsoever to Plaintiff.

11. In the Lease, Defendants expressly warrant and covenant that they are the lawful owners of and have good title to said 21.8622 mineral acres in Section 36. Defendants further warrant that they have the right to convey, by oil and gas lease the 3/16<sup>th</sup> leasehold interest of such minerals to Plaintiff, that Defendants warrant title and agree to defend the title to the 21.8622 mineral acres in Section 36 against all lawful claims of all persons whomever, and that Defendants, as the Lessors, agree to indemnify Plaintiff, as the Lessee, from adverse claims to such mineral acreage.

12. Plaintiff subsequently discovered that Defendants do not own the 21.8622 net mineral acres in Section 36, for which Defendants were paid; rather, Defendants only own 10.21 net mineral acres in Section 36, but even such smaller mineral interest was subject to a prior lease, which prior lease remains in force and effect.

13. Plaintiff made demand on Defendants to return the bonus monies paid to Defendants under the Lease, but Defendants refuse to return such bonus monies to Plaintiff. *See* attached Exhibit 2, March 31, 2021 Demand Letter.

14. The foregoing facts operate as and constitute a breach of contract, a breach of Defendants' warranty of title contained in the Lease, and a failure of consideration.

15. Defendants' breach of warranty of title damaged Plaintiff in the amount of \$87,448.80. In addition, Plaintiff is entitled to statutory pre-judgment interest from June 22, 2017 at 6% per annum and is entitled to post-judgment interest.

**SECOND CLAIM FOR RELIEF**  
**UNJUST ENRICHMENT**

Plaintiff incorporates by reference the foregoing allegations above and, further, states and alleges as follows:

16. Defendants' conduct in keeping of bonus monies that do not belong to them, but that belong to Plaintiff, is inequitable and unconscionable, and Defendants should not be allowed to retain bonus monies mistakenly paid to them by Plaintiff.

17. Defendants have unfairly, improperly, and unreasonably received a benefit to the detriment at the expense of Plaintiff. Defendants have been unjustly enriched by keeping a bonus payment in the amount of \$87,448.80 for mineral acreage not owned by them.

**RELIEF REQUESTED**

WHEREFORE, Plaintiff, Gaedeke Holdings VII, Ltd., demands judgment against Defendants, J.D. Crow and Myrna Gae Crow, as follows:

A. for damages in the amount of \$87,448.80, plus pre-judgment at 6% per annum and after June 22, 2017, through the date of judgment, post-judgment interest as allowed by Oklahoma law, costs, and reasonable attorney's fees;

B. Plaintiff is entitled to recover \$87,448.80, the value of the benefit conferred as damages, plus pre-judgment interest at 6% per annum and after June 22, 2017, through the date of judgment, post-judgment interest, including interest as allowed by Oklahoma law, costs, and reasonable attorney's fees; and

C. for such other relief as this Court deems just and equitable.

Respectfully submitted,

/s/ Gregory L. Mahaffey

Gregory L. Mahaffey, OBA #5626

Myrenda R. Jones, OBA #33901

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**ATTORNEYS FOR PLAINTIFF**

**ATTORNEY LIEN CLAIMED**